

AMENDED IN ASSEMBLY JULY 8, 1999
AMENDED IN ASSEMBLY JUNE 15, 1999
AMENDED IN SENATE APRIL 27, 1999
AMENDED IN SENATE APRIL 14, 1999

SENATE BILL

No. 392

Introduced by Senator Chesbro

February 12, 1999

An act to amend Section 96.6 of the Revenue and Taxation Code, relating to local government finance.

LEGISLATIVE COUNSEL'S DIGEST

SB 392, as amended, Chesbro. Property tax revenue allocations: redevelopment agency share: apportionment.

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities in order to address the effects of blight, as defined, in those communities. Existing law also authorizes a redevelopment plan adopted pursuant to that law to provide for an allocation to the relevant redevelopment agency of a portion of those ad valorem property tax revenues derived with respect to a redevelopment project. Existing property tax law also establishes certain parameters with respect to the subtraction of a redevelopment agency's share of ad valorem property tax revenues from those revenues otherwise allocated to other local jurisdictions within a redevelopment project area.

This bill would clarify the process by which incremental property tax revenues to be allocated to a redevelopment

agency are withdrawn from those revenue shares allocated to other local jurisdictions in a redevelopment project area. This bill would make legislative findings and declarations that these provisions are declaratory of existing law, and would, ~~subject to a certain exception,~~ deem to be correct ~~those allocations~~ *any apportionment of property tax revenues* made for ~~the 1998-99 fiscal year and any preceding~~ *any preceding* fiscal year *prior to the effective date of the bill* that ~~are~~ *is* inconsistent with the clarifications made by this ~~act~~ *bill*.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 96.6 of the Revenue and
2 Taxation Code is amended to read:
3 96.6. (a) Notwithstanding any other provision of law,
4 for the purposes of this chapter, the apportionment of
5 property tax revenues required by Article 1
6 (commencing with Section 95) to Article 4 (commencing
7 with Section 98), inclusive, shall not involve the
8 subtraction of the redevelopment increment, calculated
9 pursuant to subdivision (b) of Section 33670 of the Health
10 and Safety Code, from any jurisdiction that is not within
11 the boundaries of a redevelopment project area. For each
12 fiscal year, if, in performing the calculations set forth in
13 subdivision (a) and in subdivision (b) of Section 33670 of
14 the Health and Safety Code, the auditor determines that
15 there is redevelopment increment to be allocated to a
16 redevelopment agency, the auditor shall withdraw that
17 redevelopment increment determined pursuant to
18 Section 33670 of the Health and Safety Code from those
19 ad valorem property tax revenue allocations to be made
20 to each jurisdiction within the boundaries of the relevant
21 redevelopment project area. Each of those jurisdiction's
22 share of that redevelopment increment shall be
23 computed on the basis of the factors or rates which are
24 developed pursuant to Section 96.5. In order to determine
25 each jurisdiction's share of that redevelopment
26 increment, the factors or rates for all tax rate areas that

are part of a redevelopment project shall be applied to the current assessed value of the taxable property within the redevelopment project area, less the assessed valuation on the assessment roll last equalized prior to the effective date of the ordinance establishing the redevelopment project. Nothing in this section shall be construed as prohibiting a county from making the allocation and payment of funds as provided for by subdivision (b) of Section 33670 of the Health and Safety Code prior to the apportionment of property tax revenues to any jurisdiction.

~~(b) It is the intent of the Legislature that subdivision (a) of this section is a declaration and clarification of existing law. Any computation made pursuant to Article 1 (commencing with Section 95) to Article 4 (commencing with Section 98), inclusive, or their predecessors, or pursuant to Section 33670 of the Health and Safety Code prior to the effective date of this section, that is inconsistent with the provisions of subdivision (a), shall be deemed to have complied with the provisions of subdivision (a) only insofar as the computation may affect apportionments for the 1981-82 fiscal year or prior fiscal years.~~

~~(c) Commencing with the 1982-83 fiscal year, the provisions of subdivision (a) of this section shall be utilized in the apportionment of property tax revenues.~~

~~SEC. 2. (a) The amendment of Section 96.6 of the Revenue and Taxation Code made by this act does not constitute a change in, but is declaratory of, existing law.~~

~~(b) Except as otherwise provided by subdivision (b) of Section 96.6 of the Revenue and Taxation Code, any apportionment of property tax revenues made pursuant to that section in the 1998-99 fiscal year or any preceding fiscal year that is inconsistent with that section as amended by this act shall be deemed correct.~~

(b) The amendment of subdivision (a) made by the act adding this subdivision does not constitute a change in, but is declaratory of, existing law. However, any apportionment of property tax revenues made prior to the effective date of the act adding this subdivision that

1 *is inconsistent with the provisions of subdivision (a), as*
2 *amended by the act adding this subdivision, shall be*
3 *deemed correct.*

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